

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF WASHINGTON

In Re:

LLS AMERICA, LLC,

Debtor,

BRUCE P. KRIEGMAN, solely in his
capacity as court-appointed Chapter 11
Trustee for LLS America, LLC,

Plaintiff,

v.

267406 BC LTD, et al.,

Defendants.

NO: CV-12-484-RMP

Bankr. Case No. 09-06194-PCW11

Adv. Proc. No. 11-80296

DEFAULT JUDGMENT

THIS MATTER came on consideration upon the Motion of Plaintiff for
Entry of Default and Judgment against Defendants Gina and Shelly Panucci, and it
appearing from the file and records of this Court in this cause that the default
judgment (Bkcy. Dkt. No. 180) entered by the Bankruptcy Court should be deemed

1 proposed findings of fact and conclusions of law, and that entering final default
2 judgment in conformity with the default judgment entered by the Bankruptcy Court
3 is appropriate,

4 **IT IS HEREBY ORDERED, ADJUDGED AND DECREED** that the
5 Plaintiff, Bruce P. Kriegman, solely in his capacity as court-appointed Chapter 11
6 Trustee for LLS America, LLC, shall have a judgment against Defendants Gino
7 and Shelly Panucci, as follows:

8 1. Monetary Judgment in the amount of CAD \$29,491.95, pursuant to 11
9 U.S.C. § 550 and RCW 19.40.071;

10 2. Transfers in the amount of CAD \$25,502.95 made to the Defendants Gino
11 and Shelly Panucci within four years prior to the Petition Filing Date are hereby
12 avoided and Plaintiff may take all necessary action to preserve the same, pursuant
13 to 11 U.S.C. §§ 544, 550, 551 and 548(a) and (b) and RCW 19.40.041(1) and (2)
14 and RCW 19.40.071;

15 3. Transfers in the amount of CAD \$3,989.00 made to Defendants Gino and
16 Shelly Panucci more than four years prior to the Petition Filing Date are hereby
17 avoided and Plaintiff may take all necessary action to preserve the same, pursuant
18 to 11 U.S.C. §§ 544, 550 and 551 and RCW 19.40.041(1) and 19.40.071;

19 4. All said transfers to Defendants Gino and Shelly Panucci are hereby set
20 aside and Plaintiff shall be entitled to recover the same, or the value thereof, from

1 Defendants Gino and Shelly Panucci for the benefit of the estate of LLS America,
2 pursuant to 11 U.S.C. §§ 544, 550 and 551;

3 5. All proofs of claim of Defendants Gino and Shelly Panucci which have
4 been filed or brought or which may hereafter be filed or brought by, on behalf of,
5 or for the benefit of Defendants Gino and Shelly Panucci or their affiliated entities,
6 against the Debtor's estate, in this bankruptcy or related bankruptcy proceedings,
7 are hereby disallowed and subordinated to the monetary judgment granted herein
8 and Defendants Gino and Shelly Panucci shall not be entitled to collect on their
9 proof of claim (Claim No. 150-1) until the monetary judgment is satisfied by
10 Defendants Gino and Shelly Panucci in full, pursuant to 11 U.S.C. §§ 502(d),
11 510(c)(1) and 105(a);

12 6. A constructive trust is hereby established over the proceeds of all transfers
13 in favor of the Trustee for the benefit of the estate of LLS America; and

14 7. Plaintiff is hereby awarded costs (i.e. filing fees) in the amount of \$250.00
15 USD, for a total judgment of CAD \$29,491.95, plus \$250.00 USD, which shall
16 bear interest equal to the weekly average of one-year constant maturity (nominal)

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1 treasury yield as published by the Federal Reserve System.

2 The District Court Clerk is directed to enter this Order, enter judgment as
3 outlined above, and provide copies to counsel and to Judge Patricia C. Williams.

4 DATED this 1st day of November 2012.

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7 s/ Rosanna Malouf Peterson
8 ROSANNA MALOUF PETERSON
9 Chief United States District Court Judge
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